

MACC Area PROPOSED FRANCHISE COMPARISON  
Metropolitan Area Communications Commission  
July 8, 2015

FRANCHISE PROVISION	2015 COMCAST	2007 Frontier	2015 CenturyLink	§
<b>Term</b>	10 years (through mid 2025)	15 years (through mid 2022)	<p>5 years (through mid 2020).</p> <p>May be extended through 2023 -- if CenturyLink builds to twenty percent of the area by 2018, and</p> <p>Another extension through 2025 (total of 10 years) if fifty percent of the area is offered service by 2021.</p> <p>Incentives are built into the franchise to encourage service to more areas.</p>	2.3
<b>PEG PROGRAMMING</b>				
<b>HD Channels</b>	3 new HD channels implemented over 4 years.	No HD requirement	<u>All</u> PEG channels will be in SD and HD.	9.4

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<b>PEG/PCN Fee</b>	<p>Although the per subscriber fee, falls to \$0.80 per month, there is no reduction on the PEG/PCN Fund: Combining the three franchises requires Comcast to provide funding based on an additional 25,000 subscribers.</p> <p>Commission will allocate funding following a review of current PEG/PCN Fund Policy early next Fiscal Year.</p>	\$1.00/subscriber/month	<p>\$0.80/subscriber/month</p> <p>Same as new Comcast franchise.</p>	13
<b>PEG Origination Points</b>	<p>Eighteen Origination Points – new sites for council meetings and other programming direct from jurisdiction sites.</p> <p>Includes new Cornelius &amp; Tualatin City Hall locations.</p>	Five Origination Points	Two Origination sites	9.8
<b>Video On Demand</b>	No Requirement	No Requirement	Up to 25 hours of HD VOD programming available to TVCTV.	

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ROW AUTHORITY				
<b>Right of Way Use</b>	ROW requirements are substantively unchanged from previous franchise.	ROW use is independently regulated by jurisdictions' codes.	<p>ROW use is independently regulated by jurisdictions' codes.</p> <p>As with Frontier, CenturyLink uses its existing facilities, over which it will now provide a cable television service. The oversight of those facilities by the jurisdictions will not be changed by this cable franchise.</p> <p>Unlike Frontier, CenturyLink does <u>not</u> propose to provide universal fiber to the home, which would require extensive ROW work.</p>	2.2
<b>Competition</b>	<p>If competitor's franchise has terms that are perceived to be less demanding on these points:</p> <ul style="list-style-type: none"> <li>• 5% franchise fee</li> <li>• PEG funding</li> <li>• PEG channels</li> <li>• Customer Service standards</li> <li>• Complimentary services</li> </ul> <p>Then, Comcast may initiate a process to mitigate perceived competitive inequity.</p>	Not addressed	<p>Not addressed.</p> <p>Competitor has matched the relevant terms of the incumbent</p>	n/a

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FINANCE				
Franchise fees	Five Percent Franchise Fee	Five Percent Franchise Fee	Five Percent Franchise Fee	6
Gross Revenue Definition	<p>MACC retained its broad definition of Gross Revenue – the application of a 5% fee on all revenue attributable to Cable Services. Still better standard than most franchises and all area franchises.</p> <p>If the revenue base is the same, MACC collections in CY2015 would be: \$6.5M, a 1.5% drop. (No longer includes PCN revenue due to changes in PCN management.)</p>	Same basis as Comcast	<p>Identical to new Comcast definition.</p> <p>All franchises have same basis for application of 5% franchise fee.</p>	1.22
Insurance Limits	General Liability: \$3 million Broadcasters Liab: \$1 million Auto BI/PD: \$2 million Employers Liab: \$2 million	General Liability: \$3 million Broadcasters Liab: \$1 million Auto BI/PD: \$2 million Employers Liab: \$2 million	General Liability: \$3 million Broadcasters Liab: \$1 million Auto BI/PD: \$2 million Employers Liab: \$2 million	5.1

<b>FRANCHISE PROVISION</b>	<b>2015 COMCAST</b>	<b>2007 Frontier</b>	<b>2015 CenturyLink</b>	<b>\$</b>
<b>Audit authority</b>	<p>Retained all data submission requirements.</p> <p>No changes in the timing of, or the way MACC conducts audits.</p> <p>If underpaid 4% or more, company pays the total cost of the audit up to \$15,000. Comparable to Frontier.</p>	Same as Comcast	Same as Comcast	3.6
<b>Insurance Limits</b>	<p>General Liability: \$3 million</p> <p>Broadcasters Liab: \$1 million</p> <p>Auto BI/PD: \$2 million</p> <p>Employers Liab: \$2 million</p>	<p>General Liability: \$3 million</p> <p>Broadcasters Liab: \$1 million</p> <p>Auto BI/PD: \$2 million</p> <p>Employers Liab: \$2 million</p>	<p>General Liability: \$3 million</p> <p>Broadcasters Liab: \$1 million</p> <p>Auto BI/PD: \$2 million</p> <p>Employers Liab: \$2 million</p>	5.1
<b>CUSTOMER SERVICE</b>	Comcast will abide by the Frontier customer service model, unifying the standards that apply to all cable operators in the MACC area.	Substantially same as Comcast	Substantially same as Comcast	Attc. A